

SPECIAL MEETING OF THE WATER AND LIGHT COMMISSION

October 12, 2016

Draft

Commission President Allwardt called the Special Meeting of the Water and Light Commission to order at 5:07 p.m., with Commissioners Roy Kordus, and Don Merkes present on roll call. Also present were Melanie Krause, General Manager; William Menting, Electric Manager; Tim Gosz, Water Utility Manager; Kristin Hubertus, Finance Manager; Steve Grenell, Engineering Manager, Paula Maurer, Customer Services Manager; John Teale, Technical Services Engineer; and Dawn Lucier, Administrative and Accounting Assistant.

Engineering Technician David Christensen was excused; Commissioner Tines was absent.

Item II. No one from the Gallery requested to be heard on any topic of public concern to the Utility.

Item III. New Business, Strategic Plan & 2017 Electric, Water, Telecommunications & Energy Services Budget Review & Approval – Included in the packet were the 2016 Accomplishments, as related to the Strategic Plan; the 2017-2018 Strategic Plan, which contained updates and minor changes; and an updated listing of investment accounts and balances.

Commissioner Allwardt asked staff to bring back a breakdown of the percentage of employees who received merit pay over the past 2 years.

Investment Accounts shows the Chemical Stabilization Fund will be fully funded by the end of 2017 and that future water tower cell agreements will help to fund the Water Utility Reserve.

The 2017 Electric Utility financial report utilized 2 year trending to budget 546,163,351 kWh, adjusted for the loss of industrial customers. Average cost of power is set at \$69.75/MWh, which will be an increase of 3.73% over 2016 YTD costs through August. The 2016 distribution expenses projected actual amount will increase due to substation work being performed at the end of 2016, and higher expenses for tree trimming, training, and new pole inspection program are budgeted for 2017. When actual health insurance figures are obtained they will be brought back to the Commission.

The 2017 Water Utility financial report was based on water consumption calculated using a 3 year average and Town of Menasha resale consumption projections. There is a slight decrease in consumption projected for 2017. The capital plan will slightly reduce reserves due mainly to the number of projected main replacement projects. Staff will be working with Schenck to evaluate funding options for capital projects and the impact on rates; a plan will be brought back to the Commission. A notice of intent will be filed with the Safe Drinking Water Loan program for the new raw water intake and basin, water treatment facility, and lead services project.

Commissioner Merkes asked to have staff look into the possibility of sharing the City's maintenance program with the Utility.

Telecommunications is working on an internet contract which will be brought back to the Commission and Energy Services is expected to be operating as a positive Utility by 2018.

The motion by Comm. Allwardt, seconded by Comm. Kordus, was unanimously approved on roll call to approve the Strategic Plan & 2017 Electric, Water, Telecommunications & Energy Service Budget as presented.

Item IV. No one from the Gallery requested to be heard on any topic of public concern to the Utility.

Item V. The motion by Comm. Merkes, seconded by Comm. Kordus, was unanimously approved on roll call to adjourn at 6:50 p.m.

By: MARK L. ALLWARDT
President

ROY KORDUS
Secretary

NOTE: THESE MINUTES ARE NOT TO BE CONSIDERED OFFICIAL UNTIL ACTED UPON AT THE NEXT REGULAR MEETING, THEREFORE, ARE SUBJECT TO REVISION.